BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application for approval of an Affiliated Interest Agreement Between Northwestern Wisconsin Electric Company and Northwestern Energy Service, Inc.

4280-AE-100

NOTICE OF PROCEEDING AND INVESTIGATION AND ASSESSMENT OF COSTS

THIS IS A PROCEEDING, pursuant to Wis. Stat. § 196.52(3), to consider Northwestern Wisconsin Electric Company's (NWEC) application of May 27, 1999, for approval to rent equipment and provide services to Northwestern Energy Services, Inc. (NES).

NWEC, 104 South Pine Street, Grantsburg, WI 54840-0009, is a public utility as defined in Wis. Stat. § 196.01(5) and is engaged in provision of electric power and energy in northwestern Wisconsin.

NES, 104 South Pine Street, Grantsburg, WI 54840-0009, is a wholly owned subsidiary of NWEC. NES is in the business of providing tree trimming, light changing, and utility maintenance and construction services for private customers and for the Village of Centuria's municipal utility.

According the application, NES rented equipment and services from NWEC during 1998. After the 1998 calendar year, NWEC determined that these services amounted to \$26,581. Services in 1999 are expected to be at a similar level. NWEC therefore requests Commission approval of its affiliated interest agreement with NES that sets out the terms under which services and equipment are provided.

NOTICE IS GIVEN that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from the applicant in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

This is a Type III action under Wis. Admin. Code § PSC 4.10(3). Since no unusual circumstances have come to the attention of the Commission which indicate that significant environmental consequences are likely, neither an environmental impact statement under Wis. Stat. § 1.11 nor an environmental assessment is required.

Docket 4280-AE-100

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the case coordinator listed below.

Questions from the media may be directed to Jeff Butson, Public Information Officer, at 608) 267-0912.

Questions regarding this matter may be directed to case coordinator Diane Braun at (608) 267-1200.

Dated at Madison, Wisconsin,	
By the Commission:	
Lynda L. Dorr	
Secretary to the Commission	

LLD: DCB:mem:g:\notice\pending\4280-AE-100 Hearing.doc